

**UNITED STATES
BUREAU OF CUSTOMS AND BORDER PROTECTION
IMPORTER SELF-ASSESSMENT
MEMORANDUM OF UNDERSTANDING**

(Company name) requests to participate in the Importer Self-Assessment (ISA) program. We acknowledge that the primary objective of the ISA program is to maintain a high level of trade compliance through a cooperative Bureau of Customs and Border Protection/Trade partnership. This agreement is made between _____, hereafter referred to as the Account and the United States Bureau of Customs and Border Protection (CBP), hereafter referred to as CBP.

The Account and CBP recognize the need to jointly address trade issues in order to maintain an efficient and compliant import process. This memorandum of understanding is designed to strengthen the Account's ability to maintain a high level of compliance with CBP requirements through effective internal controls of CBP activities and a cooperative interchange of ideas and information with CBP.

The ISA program represents an opportunity to establish a joint informed compliance effort, in a process built on knowledge, trust, and the desire to maintain an ongoing CBP/Account relationship. The ISA program provides CBP with the means to recognize and support the Account's efforts to achieve compliance and offers the Account the opportunity to demonstrate compliance and receive related benefits.

This memorandum of understanding does not exempt the Account from statutory penalties or sanctions in the event of noncompliance. However, the extent to which the Account has shown compliance with the terms of this memorandum of understanding will reflect favorably and may be a mitigating factor toward any CBP decision or recommendation on final case disposition.

The following are the Account's and CBP responsibilities under this memorandum of understanding. More specific information detailing the roles and responsibilities of the Account and CBP are provided in the ISA Handbook.

ACCOUNT ROLES AND RESPONSIBILITIES

- Become a member of the Customs-Trade Partnership against Terrorism (C-TPAT).
- Complete an ISA Questionnaire.
- Comply with all applicable Customs laws and regulations.

- Maintain a system of business (including records, procedures, and policies) that demonstrates the accuracy of CBP transactions as described in the ISA Handbook. Specific requirements include:
 - ✓ Maintaining internal controls appropriate to provide reasonable assurance of CBP compliance, including components of internal control;
 - ✓ Performing some periodic testing (designed by the Account) based on risk at least annually;
 - ✓ Maintaining results of testing for three years and providing test results to CBP request;
 - ✓ Making appropriate adjustments to internal controls when needs for improvements are identified; and
 - ✓ Maintaining an audit trail from financial records to CBP declarations.
- Make appropriate disclosures to CBP; and
- Submit an annual written notification to CBP to confirm the identity of the Account's ISA contact and confirm that the Account continues to meet the requirements of the ISA program as specifically listed in this MOU and the ISA Handbook.

BUREAU OF CUSTOMS AND BORDER PROTECTION ROLES AND RESPONSIBILITIES

- The CBP will provide consultation, guidance, and training as requested (for compliance assistance, risk assessments, internal controls, CBP audit trails, data analysis support, etc.).
- The CBP will provide the opportunity to apply for coverage of multiple business units.
- The CBP will remove the Account from audit pools established for comprehensive audits, including Focused Assessments, Drawbacks, and Foreign Trade Zones. The audit exemption will apply to each specific area when it is determined that adequate internal controls are in place for each area. (Accounts may be subject to on-site examinations for specific reasons but will not be subject to comprehensive assessments of all CBP operations.)
- The CBP will furnish a Hotline to OST/RAD key liaison officials.
- If requested, CBP will provide the Account's summary trade data (the Account can elect to receive the data annually automatically without fees).
- With respect to an importer's right to make a prior disclosure pursuant to 19 U.S.C. 1592(c) or 1593a(c) and 19 CFR 162.74 when the importer becomes aware of facts that may represent a violation of 19 U.S.C. 1592 or 1593a, an ISA participant may utilize the following process: Unless, during CBP assistance, consultation, or training with an ISA participant, CBP becomes aware of errors in which there is an indication of a fraudulent violation of 19 U.S.C. 1592 or 1593a, CBP will provide a written notice to the participant of such errors and allow 30 days from the date of the notification for the participant to assess and, if determined necessary file a prior disclosure

pursuant to 19 CFR 162.74. This benefit does not apply if the matter is already the subject of an ongoing investigation.

- In the event that civil penalties or liquidated damages are assessed against an importer, the importer's participation in ISA will be considered in the disposition of the case.
- The CBP will assign the Account to a CBP consulting team consisting of an Account Manager, Auditor, and Trade Analyst assigned to service ISA Accounts.
- The CBP will agree to treat documents and records as confidential business records.
- The CBP will provide additional benefits tailored to industry needs (by mutual agreement).

This memorandum of understanding governs activities by the following importers under the identified Importer of Record (IR) numbers.

COMPANY NAME	ADDRESS	IR NUMBER(S)

The Account may use third parties to fulfill roles and responsibilities of this agreement.

This agreement shall enter into force upon each party's signature and shall remain in effect until notification of termination or failure to perform as agreed to.

IN WITNESS WHEREOF, the undersigned, being duly authorized, have signed this agreement.

FOR THE BUREAU OF CUSTOMS
AND BORDER PROTECTION

Signature

Title

Date

FOR THE ACCOUNT

Signature

Title

Date